

ANNUAL MEETING OF THE STOCKHOLDERS
Monday, May 7, 2018

The Annual Meeting of Stockholders of Life Insurance Company of Alabama convened at 11:00 a.m. Monday, May 7, 2018 in Daugette Auditorium of the Life of Alabama Building, 302 Broad Street, Gadsden, Alabama, the date, time and place having been set by the Board of Directors at their meeting held February 12, 2018. President Clarence W. Daugette, III presided as Chairman.

The Chairman called the meeting to order promptly at 11:00. He welcomed everyone to the meeting and recognized guests.

The invocation was given by Herman Warren Cobb.

AFFIDAVIT REGARDING NOTICE OF MEETING:

The Chairman called on Senior Vice President and Secretary J. Steven Keck for certification of the following affidavit.

I, J. Steven Keck, Secretary of Life Insurance Company of Alabama, hereby certify that notice of the Annual Meeting and Proxy material were mailed on Thursday, April 5, 2018, to all stockholders of record of both classes at the close of business on March 7, 2018.

REPORT OF PROXY COMMITTEE:

Angie Thomason, Chairman of the Proxy Committee, reported that 53,978 shares of Common Stock was represented in person and 6,429 shares of Common Stock represented by written proxy for a total of 60,407 which is 68.99% of the total number Common Stock outstanding.

The Chairman thereupon declared a quorum represented in person and by written proxy and the meeting duly qualified for the transaction of business.

MINUTES:

The Chairman asked the pleasure of the Stockholders concerning reading of the minutes of the last meeting. Mary Kinney Corley, a holder of Common Stock of the Corporation moved the minutes not be read. Upon second by Alburta D. Lowe, also a holder of Common Stock, the motion carried unanimously.

REPORT OF OFFICERS:

President Clarence W. Daugette, III reported on several key factors from the 2017 financial statement. He also noted that the Company rating by A. M. Best remained a B++ which is the result of the Company's financial strength, operating performance, asset quality and capitalization and claim paying ability.

The Chairman called on Executive Vice President Raymond R. Renfrow, Jr. Mr. Renfrow reported on "Sales Performance Then and Now". He reported that the A&H Premium Production was down 9.49% over last year but above the average for the past five years. Life Premium Production has increased 37.85% over last year. Life Premium was 27.75 % of total premium written in 2017, which the goal was to make it 25% of the premium production. He stated that the overall lapse ratio has improved. 1st year lapse ratio has been cut by 51.5% since 1999. It is down from 41.28%. He then went over a 25 year Company from 1993 through 2017 with the Premium in Force, Assets, Gain – Operations and Capital & Surplus. He then gave a comparison of Regional Directors for 2014 through 2017.

The Chairman then called on Rosalie Renfrow Causey, Vice President & Chief Investment Officer, to give a report on the Company's investment portfolio. Mrs. Causey reported that as of December 31, 2017 the Book Value of the portfolio was \$103,700,000 with the Market Value of the portfolio at \$105,500,000. The Average yield was 4.57% with Average Rating of BBB+.

Mrs. Causey stated that the Investment Committee has had a very busy year. The Committee retained the consulting services of Alton Cogert, President & Chief Executive Officer of Strategic Asset Alliance to help guide us through the process of choosing a new Investment firm. After a year-long process and much deliberation and conversations with the current Investment Portfolio Managers, Stiefel, the Investment Committee made the decision to hire New England Asset Management, Inc. from Farmington, Connecticut. She stated that NEAM specializes in portfolio management in the Insurance Industry. Mrs. Causey then welcomed the new Investment Portfolio Managers: Kelly Sullivan and Nico Santino.

Senior Vice President & Secretary J. Steven Keck reported on Home Office operations. He recognized Hoyt Casey, Katrina Hulseley and Debbie Edmondson on their hard work on the new Admin System. He then talked about the combined number of years' experience that some of the employees have with the Company and the three employees that retired last year had a combined number of 100 years' experience. He asked the employees with less than 5 years to stand to show the others how many new faces we have gotten them. He then commented on them having some big shoes to fill.

ELECTION OF DIRECTORS:

The Chairman recognized Mary Kinney Corley, a holder of Common Stock of the Corporation, who nominated the following nine persons for election to the Board of Directors as shown on the Proxy:

Clarence W. Daugette, III	Thomas W. Miller
Rosalie F. Renfrow Causey	Anne D. Renfrow
Herman Warren Cobb, Jr.	Raymond R. Renfrow, Jr.
Alburta D. Lowe	Gerald R. Smith, Jr.
M. Lynn Lowe	

Tom Miller seconded the nomination and moved the nomination be closed.

The proxies were voted by M. Lynn Lowe, Gerald R. Smith, Jr. and Clarence W. Daugette, III. The vote was a follows:

	FOR	AGAINST
Shares of Common Stock voting in person	53,978	-0-
Shares of Common Stock voting by Proxy	6,424	5
Total shares of Common Stock voted	60,402	5

The Chairman declared the same duly elected.

APPOINTMENT OF THOMAS, HOWELL, FERGUSON, PC:

The Chairman recommended the firm of Thomas, Howell, Ferguson, PC, as shown in the Proxy, to conduct the NAIC required certified audit.

Anne D. Renfrow, also a holder of Common Stock of the Corporation, moved in favor of the recommendation and upon second by Warren Cobb, the vote was as follows:

	FOR	AGAINST
Shares of Common Stock voting in person	531978	-0-
Shares of Common Stock voting by Proxy	6,424	5
Total shares of Common Stock voted	60,402	5

ACTIONS RATIFIED:

The Chairman recommended that all actions of the Stockholders, Board of Directors and Board Committees be ratified.

Alburta D. Lowe moved in favor of the recommendation and upon second by Lynn Lowe, the vote was as follows:

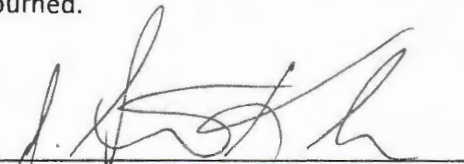
	FOR	AGAINST
Shares of Common Stock voting in person	53,978	-0-
Shares of Common Stock voting by Proxy	6,419	10
Total shares of Common Stock voted	60,397	10

ANNOUNCEMENTS:

The Chairman announced that lunch would be served in the auditorium immediately following adjournment. He then asked Warren Cobb to say the blessing.

ADJOURNMENT:

There being no further business and upon motion duly made and seconded, the meeting adjourned.



J. Steven Keck, Secretary

**QUARTERLY MEETING OF THE
BOARD OF DIRECTORS**

Monday, May 7, 2018

The 2018 first quarter meeting of the Board of Directors of Life Insurance Company of Alabama convened at noon, Monday May 7, 2018 in the Rutledge Library, Life of Alabama building, 302 Broad Street, Gadsden, Alabama. The meeting was called to order by the Chairman, Clarence W. Daugeette, III who presided over the meeting. The invocation was given by Herman Warren Cobb.

ROLL CALL:

The Roll Call revealed that members of the Board were present as follows:

Rosalie Renfrow Causey	Thomas W. Miller
Herman Warren Cobb	Anne Daugeette Renfrow
Clarence W. Daugeette, III	Raymond R. Renfrow, Jr.
Alburta D. Lowe	Gerald Ray Smith, Jr.
M. Lynn Lowe	

Directors Emeritus Present:

Robert W. Echols, Jr.
Lucian Newman, MD

The Chairman declared a quorum present and the meeting duly qualified for the transaction of business.

MINUTES:

The Chairman asked the pleasure of the Board concerning the reading of the minutes from the previous meeting. Alburta D. Lowe moved that the minutes not be read and upon second by Raymond R. Renfrow, Jr. the motion carried unanimously.

ELECTION OF OFFICERS:

The Chairman recommends the following slate of officers be approved:

Clarence W. Daugeette, III, President / Chief Executive Officer
M. Lynn Lowe, Executive Vice President & Government Relations Officer
Raymond R. Renfrow, Jr., Executive Vice President & Chief Marketing Director
Rosalie Renfrow Causey, Executive Vice President & Chief Financial Officer

J. Steven Keck, Senior Vice President, Chief Risk Officer & Secretary
Hoyt R. Casey, Vice President
Katrina Hulse, Vice President
Michael P. Causey, Vice President & Agency Director
Ken Lewis, Vice President & Marketing Director
Debbie Edmondson, Vice President

M. Lynn Lowe made a motion to approve the slate of Officers as read. The motion was seconded by H. Warren Cobb and carried unanimously by the board.

ELECTION OF COMMITTEES:

In the form of a motion, the Chairman of the Board made a recommendation to make no changes to the Committees for the following year. Upon a second by Anne D. Renfrow, the motion was passed unanimously by the board.

COMMITTEE REPORTS:

Compensation Committee

Thomas W. Miller, Chairman of the Compensation Committee approved in the form of a motion a 4% salary increase for Officers, as well as an additional \$5,200 for Debbie Edmondson due to her promotion to full Vice President and the corresponding Executive Officers pay for Rosalie Renfrow Causey upon her promotion. The motion was seconded by Gerald Ray Smith and passed unanimously by the board.

Thomas W. Miller, Compensation Committee Chairman reported that although the company did not declare a profit bonus this quarter the company may want to consider a bonus in recognition of the hard work of the dedicated employees of the company.

Audit Committee

Gerald R. Smith, Jr., Chairman of the Audit Committee reported that the committee had met recently and held a conference call with External Auditors Thomas Howell & Ferguson to review the yearly report. They reported that the audit went well and that both the auditors and the actuaries are issuing unqualified opinions. The auditors had two recommendations regarding the separation of duties in the payroll and claims paying process.

M. Lynn Lowe made a motion to approve the Audit report. Upon a second from Anne D. Renfrow, the motion carried unanimously.

Investment Committee:

Newly appointed Chief Financial Officer Rosalie Renfrow Causey introduced Mr. Alton Cogart from Strategic Asset Alliance, the firm that has been helping us with the transition to the new investment firm, NEAM. Mr. Cogart informed the board that the reduction in credit risk has impacted the portfolio. While the overall yield has lowered the overall portfolio has improved. The overall underlying market yield of the portfolio is approximately 4% and the credit quality has improved to an A- from a BBB+. He did warn that it is hard to envision GDP growth.

Mrs. Causey then introduced Kelly Sullivan from NEAM. She informed the board that since the end of the quarter the portfolio quality has actually improved even further to an A. She mentioned that there are some indicators for continued momentum in the US, such as full employment and job growth. However, she did say that there are some international events such as Italy that may affect spreads. She further indicated that it is anticipated that there will be 2-3 rate hikes by the Fed this year which may impact the portfolio but they are monitoring.

Mrs. Causey moved in the form of a motion that the Board approve all the transactions taken by the Company regarding bonds and stock sold, redeemed or otherwise disposed of during the quarter. The motion was seconded by M. Lynn Lowe and passed unanimously by the Board.

H. Warren Cobb made a motion to approve the Investment report. Upon a second from Alburta D. Lowe, the motion carried unanimously.

QUARTERLY FINANCIAL REPORT:

Vice President, Katrina D. Hulsey, CPA joined the meeting and reviewed highlights of the Quarterly Statement.

- Net Income for 1st Quarter 2018 – loss of \$506,544

Mrs. Hulsey informed the board that there were also capital losses of \$1,347,986 most of which was due to the restructuring of the portfolio.

Mrs. Hulsey informed the board that all but 2 of the questionable bonds have been disposed of and those remaining were written down due to their impending sale.

MARKETING REPORT:

Executive Vice President Raymond R. Renfrow, Jr. reported that production for 1st quarter 2018 was up 5% compared to the same quarter in 2017. He expressed his excitement to see everyone at the Founders Club trip to Boston in a few weeks.

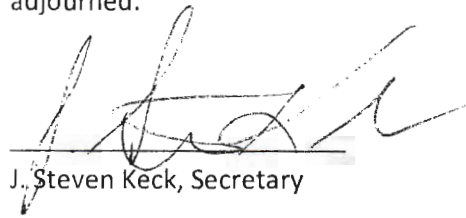
OLD BUSINESS:

President and Chief Executive Officer, Clarence W. Daugette, III, informed the Board that there had been 2 bids to do the remodeling work of the front of the building, Greer Construction and BD Welch Construction. The bid from Greer Construction was the lowest and they were chosen to perform the work and would begin June 1.

NEW BUSINESS:

J. Steven Keck reported that he had performed the required annual asset adequacy testing. The company passed all tests, and there were no scenarios of concern.

There being no further business and upon motion duly made and seconded, the meeting adjourned.

A handwritten signature in black ink, appearing to read "J. Steven Keck", is written over a horizontal line. The signature is cursive and somewhat stylized.

J. Steven Keck, Secretary

May 4, 2018

Meeting of Audit Committee of Life Insurance Company of Alabama

Members present: G. Ray Smith, Chairman, Alie Renfrow Causey, Internal Auditor & AVP, Steve Keck, Exec. V.P. & Secretary

The meeting was held at the office of Mr. Smith at 9:00 am.

There was discussion regarding the recently completed external audit. The report was reviewed by Chris Howell and Matt Walker from the audit firm Thomas, Howell and Ferguson. The audit went very smoothly and there was little in the way of recommendations. They are issuing an unqualified opinion, meaning no exceptions or qualifications to their opinion. They use an outside actuarial firm to review the work of the company actuary and they also found no areas of concern and issued an unqualified opinion. There were two recommendations, regarding separation of duties and claims payments that were discussed and ideas are being formulated to handle these items.

There being no other business the meeting was adjourned.

**QUARTERLY MEETING OF THE
BOARD OF DIRECTORS**

Tuesday, August 14, 2018

The 2018 second quarter meeting of the Board of Directors of Life Insurance Company of Alabama convened at 11a.m., Tuesday August 14, 2018 at the Gadsden Country Club, 1884 Rainbow Dr, Gadsden, Alabama. The meeting was called to order by the Chairman, Clarence W. Daugeette, III and was presided over by Rosalie Renfrow Causey. The invocation was given by Herman Warren Cobb.

ROLL CALL:

The Roll Call revealed that members of the Board were present as follows:

Rosalie Renfrow Causey	M. Lynn Lowe
Herman Warren Cobb	Anne Daugeette Renfrow
Clarence W. Daugeette, III	Raymond R. Renfrow, Jr.
Alburta D. Lowe	Gerald Ray Smith, Jr.

Also Present: Director Emeritus Robert W. Echols, Jr.

The Chairman declared a quorum present and the meeting duly qualified for the transaction of business.

MINUTES:

The Chairman asked the pleasure of the Board concerning the reading of the minutes from the previous meeting. Alburta D. Lowe moved that the minutes not be read and upon second by Gerald Ray Smith, Jr., the motion carried unanimously.

PRESIDENT'S REPORT:

President, Clarence W. Daugeette, III, updated the board on LICOA's new Administrative System software. He informed the board that the process is moving along nicely and that it is anticipated that the system will go live most likely January 1, 2019.

President, Clarence W. Daugeette, III, also informed the board of the progress on the remodel of the building.

QUARTERLY FINANCIAL REPORT:

The quarterly statement for the 2nd Quarter 2018 was reviewed. There was some discussion regarding the bond watch list; currently there are no bonds on the watch list. A contributing factor to the loss for the year is a culmination of the rebalancing of the investment portfolio due to the recognition of capital losses, as lower credit quality bonds were disposed of, as well as decreased investment income as the credit quality of the portfolio is improved. It is anticipated that the sale of the common stock during the 3rd quarter will ultimately offset some of the losses but it will take time for the revised investment strategy to be fully implemented.

- Net Income 2nd Quarter 2018 – loss of \$1,937,658

COMMITTEE REPORTS:**Compensation Committee**

Thomas W. Miller, Compensation Committee Chairman reported that the committee met and approved in the form of a motion bonus to all employees, except officers, in recognition of the hard work of the dedicated employees of the company. The total bonus in aggregate equals \$16,250.

The motion was seconded by Alburta D. Lowe and carried unanimously.

Investment Committee:

Vice President and Chief Investment Officer, Rosalie Renfrow Causey, presented a summary of the reports provided by NEAM. As of June 30, 2018 the bond portfolio book value was \$101.328 million with an overall yield of 4.18%, before tax. The portfolio carries an average life of 11.89 with an option adjusted duration of 7.55. This is quite a change from prior to NEAM being in charge of the portfolio, although it is consistent with the revised investment plans. She further reported that the overall bond portfolio quality had improved from an average rating of BBB+ at 12/31/2017 to A.

Mrs. Causey moved in the form of a motion that the Board approve all the transactions taken by the Company regarding bonds and stock sold, redeemed or otherwise disposed of during the quarter. The motion was seconded by Gerald Ray Smith, Jr., and passed unanimously by the Board.

Audit Committee

Gerald R. Smith, Jr., Chairman of the Audit Committee reported that the committee had met recently where there was discussion regarding the recently completed internal audit. The audit results appear to very clean. There was also discussion regarding officer expenses that result in a 1099. It was

suggested that the board should receive a listing of the 1099 amounts, at either the November or February meeting, so as to approve them as this is compensation.

After a second by M. Lynn Lowe the motion carried unanimously.

ADJOURNMENT:

There being no further business and upon motion duly made and seconded, the meeting adjourned.



J. Steven Keck, Secretary

August 10, 2018

Meeting of Audit Committee of Life Insurance Company of Alabama

Members present: G. Ray Smith, Chairman, Alie Renfrow Causey, Internal Auditor & AVP, Steve Keck, Exec. V.P. & Secretary

The meeting was held at the office of Mr. Smith at 10:00 am.

There was discussion regarding the recently completed internal audit. The audit results appear to very clean and we have made tremendous progress in addressing all outstanding items. The only outstanding item is in regards the company name being used and verifying that the use is acceptable.

A discussion was also held in regard to officer expenses that result in a 1099. It was suggested that the board should receive a listing of the 1099 amounts, at either the November or February meeting, so as to approve them as this is compensation.

There being no other business the meeting was adjourned.



**QUARTERLY MEETING OF THE
BOARD OF DIRECTORS**

Tuesday, November 13, 2018

The 2018 third quarter meeting of the Board of Directors of Life Insurance Company of Alabama convened at 11a.m., Tuesday, November 13, 2018 at the Gadsden Country Club, 1884 Rainbow Dr, Gadsden, Alabama. The meeting was called to order by the Chairman, Clarence W. Daugeette, III who presided over the meeting. The invocation was given by Herman Warren Cobb.

ROLL CALL:

The Roll Call revealed that members of the Board were present as follows:

Rosalie Renfrow Causey	M. Lynn Lowe
Herman Warren Cobb	Anne Daugeette Renfrow
Clarence W. Daugeette, III	Raymond R. Renfrow, Jr.
Alburta D. Lowe	Gerald Ray Smith, Jr.
Thomas W. Miller	

Also Present: Directors Emeritus, Robert W. Echols, Jr. and Dr. Lucian Newman.

The Chairman declared a quorum present and the meeting duly qualified for the transaction of business.

MINUTES:

The Chairman asked the pleasure of the Board concerning the reading of the minutes from the previous meeting. Alburta D. Lowe moved that the minutes not be read and upon second by Gerald Ray Smith, Jr., the motion carried unanimously.

PRESIDENT'S REPORT:

President, Clarence W. Daugeette, III, briefly updated the board on LICOA's new Administrative System software. He informed the board that the process is moving along nicely and that it is anticipated that the system will go live most likely January 1, 2019. At this time he asked Vice-President Hoyt Casey to give a more detailed update on the project.

Mr. Casey informed the board that most of the conversion issues have been resolved and they are in the final stages of interface development. It is anticipated that the final conversion process will begin on December 22.

President, Clarence W. Daugette, III, also informed the board of the progress on the remodel of the building.

QUARTERLY FINANCIAL REPORT:

The quarterly statement for the 3rd Quarter 2018 was reviewed. There was some discussion regarding the bond watch list; currently there are no bonds on the watch list. The company continues to experience losses as a result of several factors including the rebalancing of the portfolio to higher quality bonds. The sale of the common stock during the quarter had a positive impact to the Net After Tax Income, as anticipated. Despite nearly a million dollars in operating losses year to date the corporate surplus has only been reduced by approximately \$200,000.

- Net Income 3rd Quarter 2018 – loss of \$357,062

There was some discussion regarding the bond watch list; currently there are no bonds on the watch list. All bonds have a NAIC designation of 1 or 2. There is one bond that has a market value 20% or more below the book value, and it has a NAIC designation of 1FE.

Appointed Actuary, J. Steven Keck, FSA, MAAA, briefly discussed with the board the reserves. He informed them that the reserve interest rate for 2019 would be the same as 2018. He also informed the board that there were no changes to the reserve methods in use for the determination of the statutory reserves.

COMMITTEE REPORTS:

Compensation Committee

Thomas W. Miller, Compensation Committee Chairman reported that the committee met and approved in the form of a motion bonus to all employees, except officers, in recognition of the hard work of the dedicated employees of the company, despite the operating loss for the 2nd quarter. The total bonus in aggregate equals \$16,250. It was recommended by the compensation committee that the company consider not giving a bonus based upon the operating results of the 3rd quarter.

The motion was seconded by Alburta D. Lowe and carried unanimously.

Investment Committee:

Vice President and Chief Investment Officer, Rosalie Renfrow Causey, introduced Kelly Sullivan of NEAM who presented a summary of the quarterly investment activity. She mentioned that the labor market is doing well and that growth is still exceeding expectations. These are good economic indicators for the future. The rebalancing effort to this point has resulted in the credit rating for the

portfolio going from BBB+ to A and the average duration has reduced from 7.86 to 7.22. Attached is an executive summary of the quarter.

Ms. Sullivan also discussed the Enterprise Based Asset Allocation testing that was performed. This analysis takes into consideration the company's underwriting operations as well as NEAM's view on investments to develop a more efficient portfolio of assets that is consistent with company risk tolerances and investment objectives. As a result of this initial run there were some proposed changes to the company benchmark and investment guidelines. The investment committee recommends the approval of these changes in the guidelines.

Mrs. Causey moved in the form of a motion that the Board approve all the transactions taken by the Company regarding bonds and stock sold, redeemed or otherwise disposed of during the quarter. The motion was seconded by Lynn Lowe and passed unanimously by the Board.

Audit Committee

Gerald R. Smith, Jr., Chairman of the Audit Committee reported that the committee had met recently and reviewed a recent complaint submitted via the company Report-It system. The situation was in regard to privacy and the relevant parties were met with to discuss educating employees about privacy. A discussion was also had in regards to the state examiners draft summary. It was recommended that the company continue to work to turn responses given to the examiners into action.

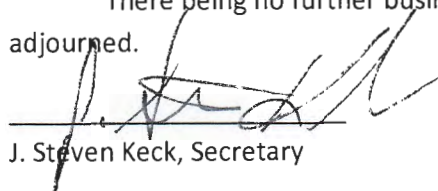
Marketing Report

Raymond R. Renfrow, Jr., discussed with the board some of the activities going on in the marketing area. He mentioned that sales are up approximately 8% over this time last year. Currently life sales are at 1.5 million and might break the 2 million mark for the first time this year.

A motion was made by Anne Renfrow to accept all committee reports. The motion was seconded by Tom Miller and passed unanimously.

ADJOURNMENT:

There being no further business and upon motion duly made and seconded, the meeting adjourned.



J. Steven Keck, Secretary

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Executive Summary – Q3 2018



Economic & Capital Market Review

- Economic data continues to be strong. Consumer confidence is high, household balance sheets are improved, the labor market is strong, and incomes are rising which should fuel consumption growth. Business confidence is also high, corporate profits are up, and investment continues to grow. While rates are rising, financial conditions remain accommodative, with banks willing to lend and credit spreads at tight levels.
- Although trade tensions add a certain amount of uncertainty, late stage fiscal stimulus is also boosting growth. Core inflation has risen and is in line with the Fed's target, and although wages are increasing, longer-term expectations remain grounded. The Fed is very likely to proceed along their gradual rate hike path even if inflation exceeds 2% for some period of time, in order to extend the expansion while not overdoing it.

Portfolio Review

- At the end of Q3, LICOA's fixed income portfolio had a market value of \$107.0mm, duration of 7.22 years, book yield of 4.11%, and average credit quality of A.
- In mid-September, a provision in the new tax law that allowed companies to fund their pensions at the old tax rate expired. That, along with other factors like a continued reduction in the Fed balance sheet, caused rates to spike at the end of the quarter and into October. Wage inflation, CPI, and the PCE index have risen recently and a successful resolution with China, while unlikely in the near-term, is a risk to yields (higher). For these reasons, we continue to advocate a duration posture in the portfolio that is slightly short that of the target given the expectation for a gradual rise in interest rates.
- While higher Treasury rates throughout the quarter (2yr +29bps, 10yr +20bps) contributed to an increase in the portfolio's unrealized loss position, rising rates have also contributed to higher reinvestment yields that can be achieved on investments which has been supportive of book yield and investment income; with the portfolio generating \$3.6mm of annualized after-tax investment income at the end of Q3.
- In July, the equity portfolio was liquidated to harvest gains of \$1.78mm. The proceeds from the equity sales (\$6.8mm) were transferred into the fixed income portfolio for investment consistent with our defensive, up in quality bias and the asset allocation work currently underway.
- Purchases in the fixed income portfolio totaled \$4.96mm and had an average yield of 3.66%, rating of AA, and duration of 7.43 years.
 - *Corporates*: \$1.99mm, 3.64% yield – Took advantage of high quality (A and A+ rated), 10 year new issue deals offering attractive concessions.
 - *MBS*: \$1.03mm, 3.50% yield – Focused on Ginnie Mae (GNMA) mortgage pools given their favorable carry profile relative to conventional mortgages (Fannie Mae & Freddie Mac) as the Fed continues to taper its balance sheet.
 - *CMBS*: \$1.95mm, 3.75% yield – Purchased two AAA-rated new issue deals at an average spread of +83 bps.

November 9, 2018

Meeting of Audit Committee of Life Insurance Company of Alabama

Members present: G. Ray Smith, Chairman, Alie Renfrow Causey, Internal Auditor & AVP, Steve Keck, Exec. V.P. & Secretary

The meeting was held at the office of Mr. Smith at 10:00 am.

There was discussion regarding the recent Report-It issue. The situation regarding privacy was discussed with the relevant department head and a recommendation was made to educate the employees regarding the privacy of information.

A discussion was also held regarding the state examiners draft summary. It was recommended that continue efforts be made to turn responses to the examination issues into actions.

There being no other business the meeting was adjourned.

